

February 13th, 2007

To: 2007 Montana Legislature
Administration Committee Hearing

From: Ted Beck
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Reference: HB 576 – Downtown Protection Act – M. Caferro

This bill or at least a similar bill has been proposed during the last two legislative sessions. As a long time resident of Montana I have several problems with this bill:

1. I have real problems with “the least costly option plus 2%”. I see no reason why people who own downtown property should have a 2% advantage over any other owner of property that offers space to be leased by the State of Montana.
2. The definition of the “Downtown Area” is flawed. The “central business district” (CBE) has a varied and different definition in each “city”. Depending on what city you are talking about the area implied varies. Also what is the definition of a “city” here in Montana.
3. Why does the Department of Administration have to do a biennially report to a committee? Why are they required to justify why they did not pick a downtown area? I wasn’t aware they are doing such a poor job of administrating lease space that they need committee oversight. If there is a complaint, then address and handle each complaint individually until such time as it is determined there is a problem.

Narrative: The Department of Administration has an excellent record of meeting the needs of the Departments they service. A law such as this only serves to increase busy work. I am told that the State currently rents 51% of the space they have in “downtown areas”. This bill has an unknown cost. It is unfair to the taxpayers who lease space to the State in non-downtown areas that pay similar taxes as those who own downtown property. The plus 2% is not defined...2% of what? This sets up or rather invites anyone who feels their lease space is eligible under this proposed law to find fault with the State, make a claim and then the State has to spend tax dollars to defend and justify actions that in many cases cannot be suspended or revoked due to the nature of the State’s need to acquire the lease.

Please table this House Bill and leave it in Committee.

Respectfully submitted,



Ted Beck